

Audit Committee Report

DATE: Monday, November 24, 2025

WARD(S): ALL

TITLE: CONSTRUCTION AUDIT OF CARRVILLE COMMUNITY CENTRE, LIBRARY AND DISTRICT PARK: PHASE 2

FROM:

Kevin Shapiro, Director of Internal Audit

ACTION: FOR INFORMATION

Purpose

To communicate the findings from the Carrville Community Centre, Library and District Park: Phase 2 Audit.

Report Highlights

- This audit represents Phase 2 of the three-phased construction audit of the Carrville Community Centre, Library and District Park.
- Phase 1 focused on planning, design, and procurement, and was presented to the Audit Committee on September 19, 2022. Phase 2, now completed, reviewed the construction phase of the project.
- This construction phase has identified opportunities for improvement, which would strengthen project delivery, fiscal oversight, and governance, to mitigate future construction project-related risks.
- Improvements are recommended to ensure risks related to the execution of the City's construction activities are efficiently and effectively mitigated.
- Management has developed action plans which will mitigate the identified risks and address the recommendations outlined in the report.
- Internal Audit will follow up with management and report on the status of management action plans at a future committee meeting.

Recommendations

1. That the Internal Audit Report on the Construction of the Carrville Community Centre, Library and District Park: Phase 2 (Attachment 1) and Presentation Material (Attachment 2), be received.

Background

The objective of the audit was to evaluate the adequacy and effectiveness of the internal controls, processes and procedures in place to mitigate the business risks associated with construction projects. This included policies and procedures related to the fiscal, operational, and administrative controls over construction activities, including project scope, cost, schedule, and quality.

Construction of the Carrville Community Centre, Library and District Park commenced in the Spring of 2022, with a substantial performance achieved on December 16, 2024. The facility, located at 655 Thomas Cook Avenue, was officially opened to the public on June 30, 2025. The Community Centre amenities include a double gymnasium, indoor running track with space for fitness equipment, program rooms, a teaching kitchen, a dance studio, lockers and change rooms, and 25-meter lap pool and small instructional pool. The Library includes quiet study areas, spacious reading areas for children, and various physical media resources. The District Park features several outdoor amenities, including a playground, splash pad, pickleball and tennis courts, multi-use sports courts, and an outdoor ice-skating loop.

Auditing a construction project from beginning to end can provide added assurance, identify problems as they arise, and help improve outcomes. Since the scope of the audit will encompass the complete lifecycle of the project, audit reports will be issued after the completion of the following project phases:

- Planning and Design, Bid and Procurement Phase (Phase 1). This Phase 1 report was presented to the Audit Committee on September 19, 2022.
- Construction Phase (Phase 2).
- Close Out Phase (Phase 3).

Phase 2 included a review of:

- Construction Project Management and Progress Reporting.
- Contract Accounting Management Process.
- Change Order Management Process.
- Schedule Management Process.

Previous Reports/Authority

[Internal Audit Report - Construction Audit of Carrville Community Centre, Library and District Park: Phase 1](#)

Analysis and Options

Capital projects are generally funded, planned and executed as individual, discrete projects. Four objectives which are common to every construction project are: scope, cost, schedule and quality. The primary focus of project management is to plan and execute a project in such a manner as to maximize the ability to meet those four primary project objectives.

Individual capital projects can represent a significant investment for the City. Audits of individual projects can provide assurance that risks are appropriately managed. Projects that are not appropriately managed increase the risk of deliverables not being met in a timely and cost-effective manner, and/or not meeting the expectations of Vaughan residents.

The project team and specifically the project manager's focus during the construction phase shifts from project planning efforts, to participating in, observing, and analysing the construction work being performed. It is during this construction phase that the project plan is put into motion and the work of the project is performed on site. Progress is continuously monitored, and appropriate adjustments are made and recorded as variances from the original plan. Infrastructure Development's project managers are responsible for keeping the project moving according to plan. The goal is to manage the project so that it finishes on schedule and within budget, while still meeting building codes, plans, and specifications.

The four main City of Vaughan internal stakeholders for the project include the Recreation Services Department (Community Centre), Vaughan Public Libraries (Branch Library), Parks Development Department (District Park and Trail) and Facility Management (Maintenance of the Building).

Some of the reasons why construction projects do not meet their objectives is that they are often saddled with poor communication protocols and inadequate controls around scope change management. Project management plans, even for relatively small construction projects, should exhibit a level of detail greater than might be deemed appropriate for other types of projects of equivalent cost and duration.

Financial Impact

There are no direct economic impacts associated with this report.

Operational Impact

Management has assessed any operational impacts as part of their management action plan development and implementation.

Broader Regional Impacts/Considerations

Not applicable.

Conclusion

While we conclude that management has demonstrated operational improvements in this phase of the construction, the following opportunities for improvement would further strengthen project delivery, fiscal oversight, and governance, to mitigate future project-related risks:

- Mature the Project Contingency Estimation Process
- Appropriately Utilize the Cash Allowances and Change Order Process
- Ensure Invoices are Submitted on a Timely Basis
- Enhance Project Management Continuity and Key Project Documentation Requirements
- Ensure the Fair Wage Policy and Fair Wage Schedule are Up-To-Date.

For more information, please contact: Kevin Shapiro, Director of Internal Audit, ext. 8293

Attachments

1. Internal Audit Report – Construction of Carrville Community Centre, Library and District Park: Phase 2
2. Presentation Materials

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